

Hawaiian Gazette.

SEMI-WEEKLY.

ISSUED TUESDAYS AND FRIDAYS

W. N. ARMSTRON, EDITOR.

FRIDAY, AUGUST 26, 1898

PEACE BRINGS RELIEF.

While the newspapers of the Mainland, received by the last mail, are filled with war news, and reflect the general feeling of triumph over the Spaniards, on the declaration of peace, there is hardly a reference to the most important object of the war, the movement in the interests of humanity, and the relief of the suffering Cubans.

The instant President McKinley fixed his name to the protocol of peace on August 12th, the closed doors of Havana began to open, and the Red Cross, with its fleets of supplies, began to move towards the sick and the suffering and the starving. The great Master cared little for the vast range and deadly aim of Sampson's guns. He did not hear the shout of victory, rolling from the Atlantic to the Pacific, over the miserable, weak, overmatched vessels of the untrained and deluded Spaniards, and the surrender of the Spanish West Indies to the United States. His eye was fixed on the many thousands of His creatures tasting the bitterness of death through starvation, disease and exposure. The "correspondents" have told us about it; that there has been nothing more horrible in this nineteenth century than this desolation in Cuba; hungry men unable to walk; babes dying at the breast for want of nourishment; little children in the semblance of skeletons lying by the road side; the old and crippled huddled in small quarters in the city of Havana, unable to move and praying to God to relieve them by death of their sufferings from hunger. Everywhere was utter misery that recalls the stories of man's inhumanity to man in the barbaric ages. And all of this appalling suffering was increased and doubled by the blockade, the infliction of an evil to be followed by the largest good.

It is not a song of triumph that we should sing, but rather one of peace and good will that the doors which have so long been closed on the suffering Cubans have now opened, "on golden hinges turning." Our Lady of Sorrow smiles through her tears, as the Angels of the Red Cross kneel before these myriads of sufferers and deity humanity before the world.

CHEAP LIQUOR.

We shall take a lively interest in the inter-state commerce, as it will, as soon as the permanent territorial laws are passed, affect our own trade.

The Supreme Court of the United States recently decided that the sale of oleomargarine could not be interfered with by any State, when the article was imported from another State. The case arose in Pennsylvania, where the defendants were indicted for selling oleomargarine as an article of food. They received it from other States and sold it in the same packages in which it came to them, unbroken, as agents for the manufacturers. The trial courts decided in their favor, but the Pennsylvania Supreme Court took a different view, holding that "a manufacturer who puts up his products in packages evidently adapted for and intended to meet the requirements of an unlawful retail trade in another State and sends them to his own agent in that State for sale to consumers is not engaged in inter-state commerce, but is engaged in an effort to carry on a forbidden business by masquerading in a character to which he has no honest title." The punishment of such sales was therefore declared to be an interference with the commerce between the States which is protected by the Federal Constitution. The Supreme Court of the United States, however, thinks otherwise, deeming the Pennsylvania statute invalid, as an attempt to regulate inter-state commerce. The same question was involved and the same result was reached in an oleomargarine case from New Hampshire.

The importation of whiskey and all other alcoholic liquors from the States to these Islands will, therefore, be free and cannot be controlled. The use of these articles may be forbidden or regulated, as a police or sanitary measure, but the importation of them cannot be restricted unless Congress enacts a law forbidding the traffic in whiskey from every State to every other. This it will not do, as the making and sale of whiskey is one of the great industries, and the internal revenue from the sale is enormous.

Our danger lies in the importation of cheap whiskeys, "high wines" as

they are called, which work vast injury.

The Chinese and Japanese merchants will become the importers of this cheap liquor. While they may be forbidden to sell it, by our territorial laws, they can not, as we understand the law, be prevented from importing it, and using it themselves. It is in the right to hold it in possession that the danger lies.

REAL ESTATE BOOMS.

There was, before annexation, a general belief prevailing here that several "booms" would manifest themselves, after that event. So far as the industrial stocks go, the belief is realized. At this time we do not comment on it, excepting only so far as it involves the values of real estate and business other than that connected with sugar and coffee.

A real estate boom may arise out of the large surplus of idle money in the community, the results of great local prosperity, or it may arise out of outside or foreign influences and from foreign capital.

Annexation has secured permanent stability of government. This, of itself, increases or hardens the values of all kinds of business, and especially the value of land.

The prosperity of the country, more than all, has increased the value of lands and forced a boom of its own in raising its prices. It requires no foreign aid to do it. The large sums poured into the Islands, in previous years, and especially the comparatively vast sum of \$15,000,000 which is the value of last year's sugar crop, is naturally felt in real estate values. Similar effects are seen elsewhere, whenever there is great local prosperity. The rule is universal. The only "speculation" which the very conservative indulge in, as a rule, is the purchase of land in their immediate neighborhood, which is always visible and cannot abscond. Profits are not so much regarded as safety. Values here that men who are familiar with the prices of real estate in the great cities of the Mainland, would, and do, regard as extravagant and absurd, are largely the index of the local prosperity, and these values will probably hold, so long as this prosperity continues. They may even go higher than they are at present. The prosperity of the community is simply dazzling and almost ominous. While the exports of the 71,000,000 of people on the Mainland are only \$14 per capita, the exports from the Islands reach \$140 per capita. As we have said before, the statement astounds political economists. But in it lies all the element and force of real estate booms, without foreign aid. But even these have their limitations.

Regarding immigration from the States, as a cause for "booms" it is not easy to give any reason why it should be large, unless the sugar plantations are about to employ many American laborers in the cultivation of cane. The tendency on their part is, unfortunately, to substitute Asiatic for American labor in the mills.

Outside of the sugar plantations, how many more men are really wanted in mercantile business, in the mechanical trades, for general labor, and in the professions? It is said that even with our prosperity the industrial and professional market is overstocked. There are about 1,621 American males here over 15 years of age. These do not find that places go a "begging." A number are out of employment. Now if 1,000 more men, an insignificant number in the States, land here, what are they to do? And if they find nothing to do, how can they cause real estate values to rise? Ninety-five per cent of the people must work for a living. The class with "independent" means is so small in any community, it makes no figure. The growth of this city and suburbs depends upon the growth of industries which furnish a living. So far, sugar has done it. But will it employ several thousand more men here, and create a demand for residences? Other industries are small and no new industries are being created. The demand for more population, aside from laborers and farmers, seems to be more than supplied, and a rise in values cannot come from this direction.

Real estate investors from the Mainland are rather startled at the present prices of land, but they hardly understand that it is mainly due to our own surplus of wealth. That the American population will gradually increase is certain. But it will permanently increase only so fast as the immigrants can feed and clothe themselves. "Old Glory" don't feed any one. It simply protects. All else is left to the economic laws. "Booms" do not necessarily follow the Flag. Millions of acres on the Mainland are under the Flag, but yet remain in almost primeval silence.

A coast survey steamer crew will find plenty of work for many months along the Hawaiian sea line.

"THE CROWD."

A book titled "The Crowd; a Study of the Popular Mind," was published in France about two years ago, which has attracted unusual attention in Europe and America. We present a brief review of it in another column. It describes the motives and actions of men, and of popular assemblies of all kinds and descriptions, and shows the difference between their actions and the actions of single individuals.

Anyone who has often stood as a looker-on in a public meeting, either religious or secular, or who has watched a mob in the streets, or has studied legislative proceedings, is aware of the queer things done by groups of men.

Jury-men constantly present the most curious phases of these "crowd" aberrations. Judges with long experience are repeatedly surprised at verdicts which are opposed to sense and reason. At the same time verdicts as a rule are just. Col. Higginson in a recent sketch of his legislative career, speaks of the moods of the Senate and House. A bill would be rejected one day, and within a week would be passed with enthusiasm.

The author of this valuable book refers to the "crowd" in politics, and the instinctive power that certain men have to move the masses. As he says, it is usually found that only men of a low order of morals have this power. They appreciate, themselves, the value of catch words. The curious rise and fall of the American party in the fifties, a party that for a time dominated the country, was largely due to the watch word: "Put none but Americans on guard."

In the Taylor presidential campaign, if we are correct, regarding the date, the boundary line between the United States and Canada was in dispute. Our Government insisted that the true boundary was the fifty-fourth degree and forty minutes parallel of latitude. Great Britain disputed it. A clever orator coined the phrase: "fifty-four forty or fight." Used as climax in a political stump speech, it aroused an enthusiasm that rejected any reasoning on the subject.

Bismarck had an abiding contempt for the opinions of the masses of men, because, in his experience, they were irrational and changeable. But his views were extreme.

The crowd of American voters has been profoundly excited over the silver question. But it has strangely neglected, on the other hand, the supremely important questions of building up the American marine, the construction of the Nicaragua canal, and it hesitated about the annexation of these Islands until Dewey's guns set it to thinking. The profoundest essays, the ablest speeches in Congress did not stir the "God given intellect" of the people so quickly as the elliptical dance of death by the American squadron off the vessels and batteries of Cavite.

After reading this book, one feels like emphasizing the aphorism that: "We are fearfully and wonderfully made."

WATERED STOCK.

The increasing or "watering" of the stock of our corporations is the natural outgrowth of our present conditions. It is done in all of the great commercial centers, without hesitation, so long as no law is violated. It is based on the accepted business proposition that one has the right to "work a thing for all it is worth," providing always that no municipal law is violated.

The right to increase stock without cash behind it, or the "watering" of stock, as regulated by our own municipal law, is not now discussed.

What, however, is the moral right to increase or "water" stock? Just now it becomes an interesting question.

The watering of the stock of quasi-public corporations, such as railway and telegraph companies is an entirely different matter. Such companies having received valuable assets from the public, are bound to look to the public interests. Other, and the industrial corporations, owe the public nothing but honesty. But, usually, it is as easy for a camel to go through the eye of a needle as it is for a corporation to tell all the truth. The danger in dealing with corporate stocks is, not in what is said, but what is not said, or is concealed. There is no objection on moral grounds to the issuing of \$10,000,000 of unpaid capital stock, provided always the truth is stated. A man has the moral right to issue a certificate valuing his herd of one hundred goats at \$1,000,000, provided there is no misrepresentation or deception.

As a rule, the increase or "watering" of stock, when done in accordance with law, has the aspect of a psychological illusion. Leonard Jerome (Lady Randolph Churchill's father) a great stock operator, said: "Issue 10,000 shares

of stock at \$100 par, per share, and it makes a capital of \$1,000,000. The price looks high and there are few buyers. But issue 1,000,000 of shares at \$1.00 of par value, and the boys will jump at it, and call it cheap at \$1.50 or \$1,500,000 for the entire issue." It is the principle that the department stores adopt of selling a pair of shoes at 99 cents instead of \$1.00. "Thinking men are scarce in the financial world," Secretary Sherman said, when the presidents of the New York banks refused to take a government loan fifteen years ago, and lost several millions by it. The illusions of figures are attractive, and investors are apt to deceive themselves with them. It is no fault of the promoter or the corporation that uses "water," providing there is no misstatement about it, and the law is obeyed. When Jay Gould issued a \$10,000,000 first mortgage on a railway property that cost him only \$4,000,000 he did not necessarily commit a legal or moral fraud. His offense was that he publicly misrepresented values, and the stupid public believed him, although they knew his veracity was always in question.

The serious criticism, on moral grounds, upon the open increase or watering of stock is the constant danger of misleading the very large class of hardworking, saving people, who have neither opportunity nor time to study the complicated subject of investments. These, including the widows and the orphans, follow the "crowd," and it is the terrible and sad experience of all financial centers, that in "boom" periods, they "get left." But so long as those who do the "watering" avoid any legal complications, and tell no lies, there seems, under the present business morals of the world, no reason why they should furnish brains and experience to the simple, the ignorant and to those who dabble in things they know nothing about.

There are risks in all kinds of businesses. There is always the danger that the inexperienced, the ignorant, the industrious poor man may misunderstand the nature and scope of the correct values of any kind of stocks, whether original or watered, and will "rush on board," just as the capitalist and the experienced men are "stepping ashore."

A COINCIDENCE.

The protocol between the United States and Spain, which virtually ended the war, was signed at 4:22 p. m. on August 12th. The American flag was raised over the Executive building on August 12th, the same day, at noon. If the immediate and compelling cause of annexation was the pressing necessities of the war in the Philippines, the events may be regarded as lucky throws from the dice box of history by those who do not believe in the reign of law. The coincidence of time in the occurrence of the two events suggests good luck. But it is safer to believe that what has happened is due to an order of things which takes no account of dice boxes. Those who like to study curious relations of events may see in the "bad Catholicism" of Spain, as opposed to "good Catholicism," and the raising of the flag here, a close connection, in which chance plays no part. Of course other causes operated as well.

The coincidence, however, of the happening of these two events on the same day is very interesting, if nothing more.

RACIAL HABITS.

As another instance of the strength of race habits and prejudices, the Westminster Review discusses the attitude of the Mexicans towards the Americans during the late war. It includes all of the South Americans in the same category.

Although Mexico and the South American republics threw off the Spanish dominion only after cruel war, there still abides the race feeling.

"The ties and traditions of race are seen to be stronger than the abstract love of liberty and equality."

Even the sufferings of the Cubans could not remove these racial feelings in favor of Spain.

We have endeavored to show, in our columns, that the racial habits and ideas of the Hawaiians were, and will be, strong political factors in their attitude towards the alien races here. They cannot be censured for possessing them. This statement of the apparently unreasonable attitude of the Mexicans and South Americans confirms what has been said, and especially endorses the views on the racial question of Professor Shaler, which were published in this journal several months ago.

The Minister of Finance is lucky to get Wm. H. Wright to accept the position of Registrar of Accounts and Mr. Shaw, the Tax Assessor loses a most valuable right hand man in the transfer of his faithful and capable deputy.

THE DOG AND THE LAW.

Since the Bishop of Honolulu applied the Mosaic law to women's dress in this city, and it was discovered that he had, himself, violated the same Mosaic law in his own dress, and therefore had incurred the penalty of being stoned to death, according to Moses, the following anecdote, with some bearing on this subject, has been furnished to us, with the usual, if not legally authentic, vouchers of its correctness:

The late Charles Spencer of Hilo possessed a dog that he had trained to gather and bring stones to his hand, whenever a person or animal appeared in sight that, in the opinion of the dog, ought to be stoned.

On one occasion a certain Prelate appeared in Hilo, whose dress was not in accordance with modern fashion, or with the Mosaic directions, as indicated in Deuteronomy. The Prelate, while a guest of Mr. Spencer, became extremely offensive to the dog by reason of the peculiar dress. While the Prelate was officiating at a morning service in the house, at the request of Mr. Spencer, who at times had a rare sense of humor, the dog busily gathered in the yard and brought into the house, and laid at Mr. Spencer's feet, a heap of large pebbles suitable for being hurled at repulsive or hostile persons and animals. On rising from his knees, the reverent Mr. Spencer perceived this accumulation of missiles, and also noticed that the dog was waiting for him to begin action. But the Prelate was spared, and the dog was disappointed when the stones were thrown out of the window.

The question still remains unanswered: Was the dog through some occult process, so far unknown to man, instigated and directed to enforce the Mosaic penalty of stoning to death upon one who had violated the law?

THE FARMERS AND THE LETTERS.

The farmers of Harvey county, Nebraska have started a "Letter relief fund," in order to relieve Papa Leiter, of Chicago, who has lost so much money in aiding his son's operations in the wheat pit, and is now embarrassed. The farmers say that the speculations of the boy Leiter put up the price of grain so that they have become prosperous, and even rich.

Besides, the high price of wheat raised the price of corn, and served to educate the bigoted Europeans in the use of it. So the farmers "propose" with much enthusiasm to tax themselves one cent per bushel this year and create a fund for the relief of "old man Leiter."

Charles Dudley Warner says that in the Western States one may look for all sorts of experiments in social, political, financial and philanthropic affairs. The winds and the birds carry the seeds of the new fads over the broad prairies and they fall on rich ground.

It is natural enough that the farmers should consider the Leiters, as beneficent benefactors of mankind, that is of themselves, although it was not so intended, and the Leiters no doubt grind their teeth at results of their own operations.

Good people in Europe, and the correspondents, picture the want and misery all over the civilized world, because of the high prices of wheat. In the European homes of millions of peasant farmers, of mechanics, of poorly paid teachers and professional men, the joy of eating wheaten bread has been checked. Gloom for many months has pervaded the homes of the poor on the continent, because the Leiters had cornered the market and raised the prices. But the prairie farmer paid off his mortgages and "has money to lend." It is a year of curious dispensations. Three hundred thousand starved Cubans are in their graves, and by the touch of a Providential wand a shower of gold, in the high prices of sugar, arises from the burnt sugar cane fields of Cuba, is driven across continent and ocean and descends like beautiful snow flakes on Hawaii.

The people of the prairie and of Hawaii have much to be "truly thankful for," even if it takes the shape of national misfortune to others. If it should happen that the farmers of Nebraska contributed a considerable sum to the relief of Mr. Leiter, it will surely prove that the plant gratitude finds good soil west of the Missouri river.

THE PASSING HOUR.

The town is hungry for a theatrical season.

Those Maui Spreckels boys are never at peace unless they are in a row of some sort.

In the States they are finishing up the harvesting of the largest wheat crop the country ever had. The "bumper crop" of 1891 will be eclipsed by 100,000 bushels. And still there was

not enough for Messrs. Leiter and Armour to divide satisfactorily between themselves.

"On 'Change' it must be in time. There has been talk of it for the last five years or more.

Some people are "left on third" quite their whole lives and almost always by their own faults.

Some of those Morro Castles might be used for isolation of the big crop of fearfully awkward war poets.

The Commissioners are individually pretty big and pretty strong Americans, whether Imperialists or no.

With the Commission and the ex-Queen within the gates at one and the same time it will be Greater Hilo sure enough.

The town athletes should send an envoy party out to the camp of the First New York and have an understanding negotiated.

It is believed that the Government, in opening new lands, will continue to assume that the settler must have a good road.

An exchange of ideas brings the Stock Exchange. The initiative was the Edward Pollitz interview published in this paper.

Lunallio Home makes good report and continues to carry out the wishes of its founder that it be a refuge for the aged Hawaiian.

A good many of the over 270,000 soldiers of the Uncle Sam failed to get a shot, but it is safe to say that all of them had their pictures taken.

Congratulations to those Punchbowl people who have lost so much sleep on account of the location of the powder magazine in their neighborhood.

It is comforting to know that Mr. Wight, President of the Wilder Company, has a pretty fair conception of the ideal Honolulu-Hilo steamer service.

The policy of the United States to inaugurate extensive internal improvements in Hawaii will receive the strongest and readiest local endorsement.

It is gratifying to learn that the telephone system is to be kept up to the old high standard and that it is to be made better if better can be achieved.

Official information from one of the bureaus at Washington will inform readers of the Advertiser of a good many habits that the new pest, the horn fly, has not.

E and F. N. G. H., as active service companies will be missed and will always be held in esteemed recollection for good behavior, loyalty and strict attention to duty.

The Municipal Council of Dublin is a stickler for precedence. It has passed a resolution to the effect that a statue of Parnell must be erected in that place before such honor can be paid Gladstone.

It is astonishing that a newspaper like the New York Times should so far depart from the truth as that paper does in misrepresenting the conduct of the American soldiers who have visited this port during the past two months.

A man who is reported to at one time have said that if Annexation took place he would decamp promptly, abandoning an extensive property, now represents in court that the estate is much more valuable on account of the political change.

The bear and the lion in combat would summon all their friends to the conflict. But diplomacy is so much more elastic and utilitarian with Russia and England than with most other nations, the probabilities seem fight will be long delayed.

It can readily be believed that there are but few indeed of the men of the First New York capable of such misconduct as is complained of in another column. Certain it is that Col. Barber will hold to strictest account any offender.

It is more than likely that the editor of the Hilo Tribune has been represented in the office and on the streets by proxy since the last issue of his paper. He described the solo of a young lady at a public entertainment as "some pleasant vocal gymnastics."

Best authorities state that there will be no fortifications here, no permanent garrison buildings, no island cable of the United States until special appropriations for these particular purposes are made by Congress. Coast survey work comes out of a general appropriation.

Non-arrival of the transport Arizona is cheating us of the pleasure of the company of Gen. Chas. King, by far the most interesting and picturesque of the brigadiers who have encamped in San Francisco. The general is author and playwright and there is no question of his abilities as a soldier.

"Imperialism" had a snowball making career as a newspaper policy in the United States, though the snowball may have melted by this time. Among the papers that favored the retention of the Philippine Islands were: New York Journal, San Francisco Examiner, Chicago Tribune, Birmingham, Ala., Age-Herald, Kansas City Journal, St. Louis Globe-Democrat, Portland Oregonian, Albany Times-Union, Providence Journal. Only a few of the more influential papers had the courage at the time of the excitement to oppose indefinite expansion of the American territory.